

TENNESSEE REGULATORY AUTHORITY

Sara Kyle, Chairman
Lynn Greer, Director
Melvin Malone, Director

460 James Robertson Parkway
Nashville, Tennessee 37243-0505

July 27, 2000

TRANSMITTED VIA FAX
(512) 241-2810 / ORIGINAL TO FOLLOW VIA U.S. MAIL

Ms. Jacquelyn Caldwell-Senior Regulatory Manager
Vectris Telecom, Inc.
6500 River Place Blvd.
Bldg 2, Suite 200
Austin, TX 78730

RE: Vectris Telecom, Inc. (Docket No. 00-00649)

Dear Ms. Caldwell:

The Tennessee Regulatory Authority requests the following information regarding the Application of Vectris Telecom, Inc. ("Vectris") for a Certificate of Public Convenience and Necessity to provide facilities-based local and resold local exchange services and interexchange telecommunications services throughout the State of Tennessee:

Managerial Requirements:

Please provide the following managerial information of the Company:

1. Degrees of all the managerial staff (BS, BA, MBA, etc.) accounting, engineering, etc.
2. Professional licenses: CPA, PE, etc.

Technical Requirements:

Provide the following technical information of the Company:

1. Proposed location of switches-i.e., cities.
2. What are the special CPE (Customer Premise Equipment) requirements for customers, which would not be compatible with incumbent carriers?

Financial Requirements:

Provide the following financial information of the Company:

1. Most recent audited financial statement with the appropriate detail (Balance Sheet, Income Statement, and Statement of Cash Flows).
2. Projected financial statements for Years 2002 and 2003 (Balance Sheet, Income Statement, and Statement of Cash Flows).
3. Three Year capital expenditures budget which includes equipment to be deployed; cost of equipment; and sources of funding the Tennessee network, equipment, and UNEs: cash, loan commitments, vendor credits, letters of credit, etc. (complete detail).

4. What source of funding will the Applicant utilize since the Company projects losses in the initial years of operation?
5. Please quantify amounts included in financial statements and projections relating to reciprocal compensation for terminating ISP traffic.
6. TCA §65-4-125 amendment states that by September 1, 2000, all telecommunications service providers subject to the control and jurisdiction of the authority, except those owners or operators of public telephone service who pay annual inspection and supervision fees pursuant to Tennessee Code Annotated, §65-4-301(b), or any telecommunications service provider that owns and operates equipment facilities in Tennessee with a value of more than five million (\$5,000,000), shall file with the authority a corporate surety bond or irrevocable letter of credit in the amount of twenty thousand dollars (\$20,000) to secure the payment of any monetary sanction imposed in any enforcement proceeding, brought under this title or the Consumer Telemarketing Protection Act of 1990, by or on behalf of the Authority. **Provide a statement outlining the Applicant's intent to abide by TCA §65-4-125 and provide a corporate surety bond by September 1, 2000 if applicable.**

Toll Dialing Parity Plan:

Note: If the applicant does not intend to provide voice grade service, this does not apply. However, if the applicant chooses at some point in the future to provide voice grade service, they must file an appropriate toll dialing parity plan for TRA consideration at least 60 days prior to offering voice grade service. If the applicant offers Voice Grade service, then a Toll Dialing Parity plan shall be filed with the application. Consistent with FCC Docket 96-98.

Numbering Issues

Please provide answers to the following questions concerning numbering within your proposed service area:

1. What is your company's expected demand for NXXs per NPA within a year of approval of your application?
2. How many NXXs do you estimate that you will request from NANPA when you establish your service footprint?
3. When and in what NPA do you expect to establish your service footprint?
4. Will the company sequentially assign telephone numbers within NXXs?
5. What measures does the company intend to take to conserve Tennessee numbering resources?
6. When ordering new NXXs for growth, what percentage fill of an existing NXX does the company use to determine when a request for a new NXX will be initiated?

Tennessee Specific Operational Issues

Please provide answers to the following questions concerning Tennessee Specific Operational Issues.

1. How does the company intend to comply with TCA §65-21-114? In its description, please explain technically how the company will not bill for countywide calls within Tennessee.
2. Is the company aware of the Tennessee County Wide Calling database maintained by BellSouth and the procedures to enter your telephone numbers on the database?
3. Is your company aware of the local calling areas provided by the Incumbent Local Exchange Carriers in your proposed service areas?
4. Explain the procedures that will be implemented to assure that your customers will not be billed long distance charges for calls within the metro calling areas.

5. Please provide the name and telephone number of an employee of your company that will be responsible to work with the TRA on resolving customer complaints.
6. Does the company intend to telemarket its services in Tennessee? If yes, is the company aware of the telemarketing statutes and regulations found in TCA §65-4-401 *ET seq.* and Chapter 1220-4-11?

Miscellaneous Requirements:

Provide the following miscellaneous requirements:

1. Sworn pre-filed testimony is needed for CLEC applications. This testimony should describe the services to be provided, the applicant's technical, managerial, and financial abilities to provide the services and affirm that all information submitted is true and correct.
2. Tariff should be filed subsequent to applications approval and before commencing operations (tariffs filed with application are informational only, not official filings).
3. Applicants involvement in pertinent mergers, acquisitions, etc.? Provide a chart showing the applicant's corporate structure.
4. Are customer deposits required? If so, amount required? Is the applicant bonded for the amount of the deposits?
5. Identify all complaints filed with state and federal regulatory agencies involving your company or affiliated entities. Identify the nature of the complaint, which governmental agency or office received the complaint, how was the complaint resolved?
6. Please state if applicant plans to offer services in areas served by any incumbent local exchange telephone company with fewer than 100,000 total access lines?

Please submit the requested information by August 3, 2000. If you have any questions, please contact this office at (615) 741-2904 (ext. 132).

Sincerely,


David Waddell

Executive Secretary

C: Docket File
Joe Werner
Darlene Standley
Carsie Mundy